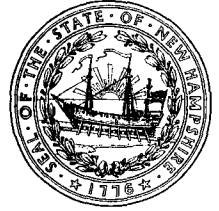




The State of New Hampshire
Department of Environmental Services



Michael P. Nolin
Commissioner

June 7, 2005

Mr. John H. Morison, III
Chairman and CEO
Hitchiner Manufacturing Inc.
P.O. Box 2001
Milford, New Hampshire 03055

NOTICE OF PAST VIOLATION

Re: Complaint Investigation
Scarborough Lane – Meadow Brook Industrial Park
Milford, New Hampshire

Dear Mr. Morison:

The purpose of this Notice of Past Violation ("NOPV") is to put you, as owner of Hitchiner Manufacturing, Inc. ("Hitchiner") on notice of the violation that occurred in Milford, NH on May 19, 2005.

ISSUE

On May 20, 2005, at approximately 10:30 am, personnel from DES investigated a complaint of an unpermitted discharge of milky white wastewater to a ½ acre pond in the Meadow Brook Industrial Park locally know as Abbott Pond located off Scarborough Lane in Milford, NH. Abbott Pond is considered by DES a surface water of the state. Reportedly, on May 19, 2005, people were observed placing hay bales in the pond. Upon investigation, DES observed milky white wastewater near the inlet to the pond. DES photographed the area and these photographs clearly show the trail of whitish wastewater. DES representative, Tom Croteau, learned from several phone conversations that milky white wastewater was water from a wastewater treatment system that was inadvertently discharged to a storm drain instead of a municipal sewer. The wastewater treatment system was for Hitchiner and treats process water from lost-wax process. The milky color to the wastewater was most likely silica sand fines.

According to a conversation with Eric Brett, the Environmental Health and Safety Officer at Hitchiner, a contractor had been hired to pump out a 4000 gallon holding tank which is part of the wastewater treatment system. The contractor using a vacuum truck removed wastewater and solids that had collected in the holding tank. They were supposed to discharge the wastewater to the municipal sewer but by mistake discharged the wastewater to a storm drain. Upon discovering this mistake, Hitchiner placed hay bales and plywood at the inlet and outlet to Abbott Pond to minimize the impact of the wastewater. Hay bales were also placed in the drainage swale that connects the storm drain to Abbott Pond. Reportedly, Hitchiner has also filtered the pond water.

It is illegal, pursuant to New Hampshire Revised Statutes Annotated ("RSA") Chapter 485-A Section 13, I(a), to discharge wastewater to the groundwater or surface waters of the State, without first obtaining a written permit from the Department of Environmental Services.

RESOLUTION

Given Hitchiner's actions to minimize and abate the effects of the unpermitted discharge to surface water, and the singularity of the incident, DES is requiring the following, in lieu of pursuing resolution of this incident through an administrative fine:

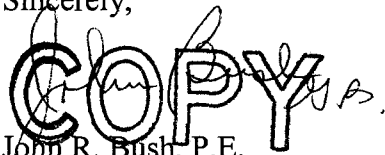
1. Provide to DES in writing a summary of steps taken by Hitchiner to mitigate possible damage by the unpermitted discharge. This summary shall be provided to DES by June 30, 2005.
2. Provide to DES in writing a best management plan that describes future actions to be taken to prevent such incidents. This plan shall be provided to DES by June 30, 2005.
3. Hitchiner shall commit no violations of RSA Chapter 485 A for a period of two years.

CONCLUSION

Please note that Hitchiner is responsible for complying with all applicable federal and state requirements, whether found in statutes, rules or applicable permit(s) and this letter does not provide relief against any other existing or future violations. This applies to any person authorized by Hitchiner to dispose of waste material as well. DES expects that such an incident will not be repeated.

If you have any questions regarding this Notice of Past Violation, please contact Margaret Bastien at (603) 271-2755.

Sincerely,


COPY

John R. Bush, P.E.

Administrator

Wastewater Engineering Bureau

cc: Margaret Bastien, P.E., Compliance Coordinator, DES/WD/WWEB
Gretchen R. Hamel, Administrator- DES Legal Unit
Mitch Locker- DES Water Supply Engineering Bureau
Joy Hilton, US EPA, Water Technical Unit
File DES/WD/WWEB

CERTIFIED MAIL/RRR: 7099 3400 0003 6154 2560